

RISK MANAGEMENT SERVICES

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LICENSES, INDEMNIFICATION AND INSURANCE REQUIREMENTS

LICENSES: The contractor must demonstrate that they are duly licensed by whatever state, county or local regulatory body may so require.

INDEMNIFICATION/HOLD HARMLESS CLAUSE: Contractor shall indemnify, defend, and hold harmless to the fullest extent allowed by law the State of Arizona, the Arizona Board of Regents and the University, its officers, agents, and employees (“Indemnitees”) from any and all claims, demands, suits, actions, proceedings, loss, cost, and damages of every kind and description, including attorney’s fees and/or litigation expenses, which may be brought or made against or incurred on account of breach, or loss of or damage to any property, or for injuries to or death of any person, or financial loss incurred by Indemnitees, caused by, arising out of, or contributed to, in whole or in part, by reasons of any act, omission, professional error, fault, mistake, or negligence of Contractor, its employees, agents, representatives, or subcontractors, their employees, agents, or representatives in connection with or incident to the performance of the Agreement, or arising out of Workers Compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of Contractor and/or its subcontractors of claims under similar such laws and obligations. Contractor’s obligation under this provision shall not extend to any liability caused by the sole negligence of the State of Arizona, Arizona Board of Regents, University or its officers, agents, and employees. Such indemnification shall specifically include infringement claims made against any and all intellectual property supplied by Contractor and third-party infringement under the Agreement.

INSURANCE REQUIREMENTS: Without limiting any liabilities or any other obligation of Contractor, Contractor shall purchase and maintain (and cause its subcontractors to purchase and maintain), until all of their obligations have been discharged or satisfied, including any warranty periods under the Agreement, insurance against claims that may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, employees or subcontractors, as described below. These insurance requirements are minimum requirements for the Agreement and in no way limit any indemnity covenants in the Agreement. The University does not warrant that these minimum limits are sufficient to protect Contractor from liabilities that might arise out of the performance of the work under the Agreement by Contractor, its agents, representatives, employees, or subcontractors. These insurance requirements may change if Contractor is a foreign entity, or with foreign insurance coverage.

A. Minimum Scope and Limits of Insurance: Contractor’s insurance coverage shall be primary insurance with respect to all other available sources. Contractor shall provide coverage with limits of liability not less than those stated below:

1. Commercial General Liability – Occurrence Form. Policy will include bodily injury, property damage, personal injury, and broad form contractual liability coverage.

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| • General Aggregate | \$2,000,000 |
| • Products – Completed Operations Aggregate | \$1,000,000 |
| • Personal and Advertising Injury | \$1,000,000 |
| • Contractual Liability | \$1,000,000 |
| • Fire Legal Liability (only if Agreement is for leasing space) | \$50,000 |
| • Each Occurrence | \$1,000,000 |



Revised 5/11/2020

- a. Policy shall include the following additional insured language: “The State of Arizona, its departments, agencies, boards, commissions, universities, and its officers, officials, agents, and employees, will be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of Contractor.”
 - b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities, and its officers, officials, agents, and employees, for losses arising from work performed by or on behalf of Contractor.
2. Automobile Liability. If Contractor will be driving on UArizona campus or on UArizona business the following section will apply: Policy shall include Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of the Agreement in the following amounts. If Contractor is not an individual then coverage will be a combined single limit of \$1,000,000. If Contractor is an individual then coverage will be \$100,000 per person, \$300,000 per accident, and \$50,000 property damage.
- a. Policy shall include the following additional insured language: “The State of Arizona, its departments, agencies, boards, commissions, universities, and its officers, officials, agents, and employees, will be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of Supplier, involving vehicles owned, leased, hired, or borrowed by Contractor.”
 - b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities, and its officers, officials, agents, and employees, for losses arising from work performed by or on behalf of Contractor.
 - c. Policy shall contain a severability of interest provision.
3. Worker’s Compensation and Employers’ Liability. Applicable statutory limits, as amended from time to time.
- a. Employer’s Liability in the amount of \$500,000 injury and disease.
 - b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities, and its officers, officials, agents, and employees, for losses arising from work performed by or on behalf of Supplier.
 - c. This requirement shall not apply to any contractor or subcontractor exempt under ARS § 23-901, when such contractor or subcontractor signs the [Sole Proprietor Waiver Form](#).
4. Technology/Network Errors and Omissions Insurance. The terms of this section apply if: 1) UArizona is purchasing or leasing software, or processing a software renewal; 2) Contractor is creating any code for UArizona; 3) Contractor is given access credentials, receives, stores, or analyzes UArizona Data (including if the data is not online); 4) Contractor is hosting, or managing by infrastructure outside of UArizona, including in the cloud, UArizona Data; OR 5) UArizona is purchasing or leasing equipment that will connect to UArizona’s data network.
- Each Claim \$2,000,000
 - Annual Aggregate \$4,000,000
- a. This insurance shall cover Contractor’s liability for acts, errors and omissions arising out of Contractor’s operations or services, including loss arising from unauthorized access, or use that results in identity theft or fraud.
 - b. If the liability insurance required by the Agreement is written on a claims-made basis, Contractor warrants that any retroactive date under the policy will precede the effective date of the Agreement, and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning at the time work under the Agreement is completed.
 - c. Policy shall cover professional misconduct for those positions defined in the scope of work of the Agreement.

5. Professional Liability (Errors and Omissions Liability). If the Contractor will provide UArizona Services under the Agreement, the Policy shall include professional liability coverage as follows:
- Each Claim \$1,000,000
 - Annual Aggregate \$2,000,000
- a. If the professional liability insurance required by the Agreement is written on a claims-made basis, Contractor warrants that any retroactive date under the policy will precede the effective date of the Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for 2 years beginning at the time work under the Agreement is completed.
 - b. Policy shall cover professional misconduct for those positions defined in the scope of work of the Agreement.
- B. Cancellation; Material Changes:** Cancellation notices shall be delivered to UArizona in accordance with all policy provisions. Notices required in this Section must be sent directly to UArizona Procurement & Contracting Services, email contracting@fso.arizona.edu or mail to The University of Arizona Purchasing, USA Bldg 300A, 5th Floor, P.O. Box 210300A, Tucson, AZ 85721.
- C. Acceptability of Insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an “A.M. Best” rating of not less than A- VII. UArizona in no way warrants that the above required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency. Self-Insurance may be accepted in lieu of or in combination with insurance coverage requested.
- D. Verification of Coverage:** Each insurance policy required by the Agreement must be in effect at or prior to commencement of work under the Agreement and remain in effect for the term of the Agreement. Failure to maintain the insurance policies as required by the Agreement, or to provide evidence of renewal, is a material breach of contract. If requested by UArizona, Contractor will furnish UArizona with valid certificates of insurance. UArizona’s project or purchase order number and project description will be noted on each certificate of insurance. The State of Arizona and UArizona may require complete, certified copies of policies at the time of notice of any loss or claim.
- E. Subcontractors:** Contractor’s certificate(s) may include all subcontractors as insureds under its policies as required by the Agreement, or Contractor will furnish to UArizona upon request, copies of valid certificates and endorsements for each subcontractor. Coverages for subcontractors will be subject to the minimum requirements identified above.
- F. Approval:** These insurance requirements are the standard insurance requirements of UArizona. Any modification or variation from the insurance requirements in the Agreement will require the approval of UArizona’s Risk Management Services Department.